

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5277**

A bill to make appropriations for the family independence agency and certain state purposes related to public welfare services for the fiscal year ending September 30, 2001; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to provide for reports; to provide for the disposition of fees and other income received by the state agency; and to provide for the powers and duties of certain individuals, local governments, and state departments, agencies, and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the family independence agency for the fiscal year ending September 30, 2001, from the funds

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1 indicated in this part. The following is a summary of the appropriations
2 in this part:

3 FAMILY INDEPENDENCE AGENCY

4	Full-time equated classified positions.....	13,518.6	
5	Unclassified positions.....	6.0	
6	Total full-time equated positions.....	13,524.6	
7	GROSS APPROPRIATION.....	\$	3,553,947,900
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartmental		
10	transfers.....	\$	765,000
11	ADJUSTED GROSS APPROPRIATION.....	\$	3,553,182,900
12	Federal revenues:		
13	Total federal revenues.....		2,166,116,900
14	Special revenue funds:		
15	Total private revenues.....		7,858,100
16	Total local revenues.....		109,438,700
17	Total other state restricted revenues.....		58,665,400
18	State general fund/general purpose.....	\$	1,211,103,800
19	Sec. 102. EXECUTIVE OPERATIONS		
20	Total full-time equated positions.....	925.3	
21	Full-time equated unclassified positions.....	6.0	
22	Full-time equated classified positions.....	919.3	
23	Other unclassified salaries--6.0 FTE positions.....	\$	492,300
24	Salaries and wages--692.3 FTE positions.....		34,379,900
25	Contractual services, supplies, and materials.....		10,313,300
26	Demonstration projects--11.0 FTE positions.....		10,672,200

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1	End user support.....	9,036,300
2	Computer service fees.....	27,154,100
3	Client services system--22.0 FTE positions.....	13,333,800
4	Data system enhancement--26.0 FTE positions.....	37,976,200
5	Child support automation--28.0 FTE positions.....	65,239,500
6	Child support distribution computer system--8.0 FTE	
7	positions.....	17,132,800
8	Supplemental security income advocates, salaries and	
9	wages--16.0 FTE positions.....	1,022,200
10	Commission on disability concerns--8.0 FTE positions.	785,700
11	Commission for the blind--108.0 FTE positions.....	<u>17,621,100</u>
12	GROSS APPROPRIATION.....	\$ 245,159,400
13	Appropriated from:	
14	Interdepartmental grant revenues:	
15	IDG-ADP user fees.....	150,000
16	ADJUSTED GROSS APPROPRIATION.....	\$ 245,009,400
17	Appropriated from:	
18	Federal revenues:	
19	Total federal revenues.....	158,399,800
20	Special revenue funds:	
21	Total private revenues.....	1,840,000
22	Total local revenues.....	475,000
23	Total other state restricted revenue.....	477,300
24	State general fund/general purpose.....	\$ 83,817,300
25	Sec. 103. FAMILY INDEPENDENCE SERVICES ADMINISTRATION	
26	Full-time equated classified positions.....	438.0

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1	Salaries and wages--299.0 FTE positions.....	\$	14,666,400
2	Contractual services, supplies, and materials.....		5,776,500
3	Child support incentive payments.....		32,409,600
4	Legal support contracts.....		117,496,400
5	State incentive payments.....		4,449,000
6	Employment and training support services.....		17,101,700
7	Project zero--84.0 FTE positions.....		13,975,200
8	Food stamp issuance.....		4,124,400
9	Wage employment verification reporting--2.0 FTE		
10	positions.....		5,171,000
11	Urban and rural empowerment/enterprise zones.....		100
12	Training and staff development--53.0 FTE positions...		10,636,400
13	Community services block grant.....		20,100,000
14	GROSS APPROPRIATION.....	\$	245,906,700
15	Appropriated from:		
16	Federal revenues:		
17	Total federal revenues.....		215,947,800
18	Special revenue funds:		
19	Total local revenues - donated.....		340,000
20	State general fund/general purpose.....	\$	29,618,900
21	Sec. 104. CHILD AND FAMILY SERVICES		
22	Full-time equated classified positions.....104.3		
23	Salaries and wages--43.3 FTE positions.....	\$	2,685,000
24	Contractual services, supplies, and materials.....		1,683,500
25	Refugee assistance program--5.0 FTE positions.....		7,391,900
26	Foster care payments.....		190,132,600

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1	Wayne County foster care payments.....	155,498,300
2	Adoption subsidies.....	157,262,200
3	Adoption support services--9.0 FTE positions.....	11,436,100
4	Youth in transition--10.0 FTE positions.....	12,327,900
5	Interstate compact.....	300,000
6	Children's benefit fund donations.....	21,000
7	Domestic violence prevention and treatment--6.0 FTE	
8	positions.....	10,728,500
9	Teenage parent counseling--4.0 FTE positions.....	4,417,600
10	Family preservation and prevention services--20.0 FTE	
11	positions.....	77,203,300
12	Black child and family institute.....	100,000
13	Rape prevention and services.....	1,100,000
14	Children's trust fund administration--7.0 FTE	
15	positions.....	459,100
16	Children's trust fund grants.....	3,615,000
17	Attorney general contracts.....	2,458,700
18	Guardian contract.....	600,000
19	County shelters.....	300,000
20	Prosecuting attorney contracts.....	<u>1,061,700</u>
21	GROSS APPROPRIATION.....	\$ 640,782,400
22	Appropriated from:	
23	Federal revenues:	
24	Total federal revenues.....	338,259,700
25	Special revenue funds:	
26	Private-children's benefit fund donations.....	21,000

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1	Private-collections.....	4,101,300
2	Local funds - county payback.....	63,484,500
3	Children's trust fund.....	2,112,100
4	State general fund/general purpose.....	\$ 232,803,800
5	Sec. 105. JUVENILE JUSTICE SERVICES	
6	Full-time equated classified positions.....	1,234.1
7	Personnel payroll costs--847.9 FTE positions.....	\$ 51,883,000
8	County juvenile officers.....	3,863,300
9	Child care fund.....	76,952,500
10	Juvenile justice operations.....	17,029,800
11	Community juvenile justice centers--107.0 FTE	
12	positions.....	7,784,700
13	Genesee Valley, Burton and Northwest detention	
14	centers--254.2 FTE positions.....	18,489,400
15	Federally funded activities--12.0 FTE positions.....	1,844,400
16	W.J. Maxey memorial fund.....	45,000
17	Regional detention services--5.0 FTE positions.....	1,217,500
18	Juvenile accountability incentive block grant--4.0	
19	FTE positions.....	7,732,000
20	Juvenile boot camp program.....	1,600,000
21	Committee on juvenile justice administration--4.0 FTE	
22	positions.....	449,600
23	Committee on juvenile justice grants.....	<u>5,000,000</u>
24	GROSS APPROPRIATION.....	\$ 193,891,200
25	Appropriated from:	
26	Federal revenues:	

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1	Total federal revenues.....	30,063,100
2	Special revenue funds:	
3	Total private revenues.....	45,000
4	Local funds - county payback.....	44,641,700
5	State general fund/general purpose..... \$	119,141,400
6	Sec. 106. LOCAL OFFICE STAFF AND OPERATIONS	
7	Full-time equated classified positions.....	10,180.9
8	Field staff, salaries and wages--7,184.5 FTE	
9	positions..... \$	294,072,100
10	Children and adult services, salaries and	
11	wages--2,875.9 FTE positions.....	121,781,200
12	Contractual services, supplies, and materials.....	30,316,300
13	Outstationed eligibility workers--30.0 FTE positions.	3,688,300
14	Wayne County gifts and bequests.....	100,000
15	Volunteer services and reimbursement--90.5 FTE	
16	positions.....	<u>7,269,800</u>
17	GROSS APPROPRIATION..... \$	457,227,700
18	Appropriated from:	
19	Federal revenues:	
20	Total federal revenues.....	278,810,600
21	Special revenue funds:	
22	Local funds - donated funds.....	193,100
23	Private funds - hospital contributions.....	1,750,800
24	Private - Wayne County gifts.....	100,000
25	State general fund/general purpose..... \$	176,373,200
26	Sec. 107. DISABILITY DETERMINATION SERVICES	

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1	Full-time equated classified positions.....	628.0	
2	Disability determination operations--	602.0 FTE	
3	positions.....		\$ 69,215,400
4	Medical consultation program--	21.0 FTE positions.....	1,762,500
5	Retirement disability determination--	5.0 FTE	
6	positions.....		<u>615,000</u>
7	GROSS APPROPRIATION.....		\$ 71,592,900
8	Appropriated from:		
9	Interdepartmental grant revenues:		
10	IDG from DMB-office of retirement systems.....		615,000
11	ADJUSTED GROSS APPROPRIATION.....		\$ 70,977,900
12	Appropriated from:		
13	Federal revenues:		
14	Total federal revenues.....		70,084,600
15	State general fund/general purpose.....		\$ 893,300
16	Sec. 108. CENTRAL SUPPORT ACCOUNTS		
17	Rent and building occupancy.....		\$ 61,666,100
18	Travel.....		8,052,500
19	Equipment.....		3,297,900
20	Worker's compensation.....		5,369,900
21	Advisory commissions.....		17,900
22	Payroll taxes and fringe benefits.....		<u>166,558,100</u>
23	GROSS APPROPRIATION.....		\$ 244,962,400
24	Appropriated from:		
25	Federal revenues:		
26	Total federal revenues.....		137,949,700

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1	Special revenue funds:	
2	Local funds - county payback.....	304,400
3	Departmentwide lapse revenue.....	8,024,200
4	State general fund/general purpose..... \$	98,684,100
5	Sec. 109. PUBLIC ASSISTANCE	
6	Full-time equated classified positions.....14.0	
7	Family independence program..... \$	301,363,600
8	Transitional work support.....	15,000,000
9	State disability assistance payments.....	21,682,900
10	Food stamp program benefits.....	433,218,800
11	State supplementation.....	60,933,300
12	State supplementation administration.....	2,381,700
13	Low income energy assistance program--10.0 FTE	
14	positions.....	60,025,500
15	State emergency relief--4.0 FTE positions.....	40,879,400
16	Weatherization assistance.....	10,900,000
17	Day care services.....	<u>508,040,000</u>
18	GROSS APPROPRIATION..... \$	1,454,425,200
19	Appropriated from:	
20	Federal revenues:	
21	Total federal revenues.....	936,601,600
22	Special revenue funds:	
23	Child support collections.....	41,311,800
24	Supplemental security income recoveries.....	4,440,000
25	Public assistance recoupment revenue.....	2,300,000
26	State general fund/general purpose..... \$	469,771,800

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PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2000-2001 is \$1,269,769,200.00 and state spending from state resources to be paid to local units of government for fiscal year 2000-2001 is \$142,932,000.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

FAMILY INDEPENDENCE AGENCY

CHILD AND FAMILY SERVICES

Adoption subsidies.....	\$	62,152,800
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JUVENILE JUSTICE SERVICES

Child care fund.....		76,952,500
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County juvenile officers.....		2,668,000
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PUBLIC ASSISTANCE

State disability program.....		<u>1,158,700</u>
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TOTAL.....	\$	142,932,000
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(2) If it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended for any quarter under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the state budget director, the

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1 house of representatives and senate standing committees on
2 appropriations, and the house and senate fiscal agencies.

3 Sec. 202. The appropriations authorized under this act are subject
4 to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

5 Sec. 203. As used in this act:

6 (a) "ADP" means automated data processing.

7 (b) "Department" means the family independence agency.

8 (c) "FTE" means full-time equated position.

9 (d) "IDG" means interdepartmental grant.

10 (e) "Temporary assistance for needy families" (TANF) or "title IV"
11 means title IV of the social security act, chapter 531, 49 Stat. 620, 42
12 U.S.C. 601 to 603, 604 to 608, 609 to 619, 620 to 629e, 651 to 660, 663
13 to 669b, 670 to 673, 673b, 674 to 679, 679b, and 681 to 687.

14 Sec. 204. The department of civil service shall bill departments
15 and agencies at the end of the first fiscal quarter for the 1% charge
16 authorized by section 5 of article XI of the state constitution of 1963.
17 Payments shall be made for the total amount of the billing by the end of
18 the second fiscal quarter, except as otherwise stated. For the federal
19 portion of the civil service 1% assessment, the family independence
20 agency may pay the assessment at the end of the fiscal year from avail-
21 able excess federal revenues.

22 Sec. 205. (1) Beginning October 1, a hiring freeze is imposed on
23 the state classified civil service. State departments and agencies are
24 prohibited from hiring any new full-time state classified civil service
25 employees and prohibited from filling any vacant state classified civil
26 service positions. This hiring freeze does not apply to internal
27 transfers of classified employees from 1 position to another within a

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1 department or to positions that are funded with 80% or more federal or
2 restricted funds.

3 (2) The state budget director shall grant exceptions to this hiring
4 freeze when the state budget director believes that the hiring freeze
5 will result in rendering a state department or agency unable to deliver
6 basic services. The state budget director shall report by the fifteenth
7 of each month to the chairpersons of the senate and house of representa-
8 tives standing committees on appropriations the number of exceptions to
9 the hiring freeze approved during the previous month and the justifica-
10 tion for the exception.

11 Sec. 206. (1) In addition to the funds appropriated in part 1,
12 there is appropriated an amount not to exceed \$200,000,000.00 for federal
13 contingency funds. These funds are not available for expenditure until
14 they have been transferred to another line item in this act pursuant to
15 section 393(2) of the management and budget act, 1984 PA 431,
16 MCL 18.1393.

17 (2) In addition to the funds appropriated in part 1, there is appro-
18 priated an amount not to exceed \$5,000,000.00 for state restricted con-
19 tingency funds. These funds are not available for expenditure until they
20 have been transferred to another line item in this act pursuant to
21 section 393(2) of the management and budget act, 1984 PA 431,
22 MCL 18.1393.

23 (3) In addition to the funds appropriated in part 1, there is appro-
24 priated an amount not to exceed \$20,000,000.00 for local contingency
25 funds. These funds are not available for expenditure until they have
26 been transferred to another line item in this act pursuant to

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1 section 393(2) of the management and budget act, 1984 PA 431,
2 MCL 18.1393.

3 (4) In addition to the funds appropriated in part 1, there is appro-
4 priated an amount not to exceed \$20,000,000.00 for private contingency
5 funds. These funds are not available for expenditure until they have
6 been transferred to another line item in this act pursuant to
7 section 393(2) of the management and budget act, 1984 PA 431,
8 MCL 18.1393.

9 Sec. 207. At least 60 days before beginning any effort to privati-
10 ze, the department shall submit a complete project plan to the appropri-
11 ate senate and house of representatives appropriations subcommittees and
12 the senate and house fiscal agencies. The plan shall include the cri-
13 teria under which the privatization initiative will be evaluated. The
14 evaluation shall be completed and submitted to the appropriate senate and
15 house of representatives appropriations subcommittees and the senate and
16 house fiscal agencies within 30 months.

17 Sec. 208. The department shall continue to pilot the use of the
18 Internet to fulfill the reporting requirements of this act. This may
19 include transmission of reports via electronic mail to the recipients
20 identified for each reporting requirement or it may include placement of
21 reports on the Internet or legislative Intranet site. The senate and
22 house of representatives appropriations subcommittees and senate and
23 house fiscal agencies shall be notified in writing of the Internet or
24 Intranet site of any such report. Quarterly, the department shall pro-
25 vide a cumulative listing of the reports submitted during the most recent
26 3-month period along with the Internet or Intranet site of each report,
27 and a list of those reports expected to be transmitted in the following

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1 quarter. The option of receiving reports in printed format shall
2 continue to be available.

3 Sec. 209. Funds appropriated in part 1 shall not be used for the
4 purchase of foreign goods or services, or both, if competitively priced
5 and of comparable quality American goods or services, or both, are
6 available.

7 Sec. 210. The director of each department receiving appropriations
8 in part 1 shall take all reasonable steps to ensure businesses in
9 deprived and depressed communities compete for and perform contracts to
10 provide services or supplies, or both. Each director shall strongly
11 encourage firms with which the department contracts to subcontract with
12 certified businesses in depressed and deprived communities for services,
13 supplies, or both.

14 Sec. 211. The department may receive and expend advances or reim-
15 bursements from the department of state police for the administration of
16 the individual and family grant disaster assistance program. An account
17 shall be established in the department for this purpose when a disaster
18 is declared. The authorization and allotment for the account shall be in
19 the amount advanced or reimbursed from the department of state police.

20 Sec. 212. In addition to funds appropriated in part 1 for all pro-
21 grams and services, there is appropriated for write-offs of accounts
22 receivable, deferrals, and for prior year obligations in excess of appli-
23 cable prior year appropriations, an amount equal to total write-offs and
24 prior year obligations, but not to exceed amounts available in prior year
25 revenues or current year revenues that are in excess of the authorized
26 amount.

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1 Sec. 213. The department may retain all of the state's share of
2 food stamp overissuance collections as an offset to general fund/general
3 purpose costs. Retained collections shall be applied against federal
4 funds deductions in all appropriation units where department costs
5 related to the investigation and recoupment of food stamp overissuances
6 are incurred. Retained collections in excess of such costs shall be
7 applied against the federal funds deducted in the executive operations
8 appropriation unit.

9 Sec. 214. (1) The department shall submit a report to the chair-
10 persons of the senate and house appropriations subcommittees on the
11 family independence agency budget and to the senate and house fiscal
12 agencies on the details of allocations within program budgeting line
13 items and within the salaries and wages line items in the field services
14 appropriation unit. The report shall include a listing, by account,
15 dollar amount, and fund source, of salaries and wages; longevity and
16 insurance; retirement; contractual services, supplies, and materials;
17 equipment; travel; and grants within each program line item appropriated
18 for the fiscal year ending September 30, 2001.

19 (2) On a monthly basis, the department shall report on the number of
20 FTEs in pay status by type of staff.

21 Sec. 215. If a legislative objective of this act or the social wel-
22 fare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented with-
23 out loss of federal financial participation because implementation would
24 conflict with or violate federal regulations, the department shall notify
25 the house and senate appropriations committees and the house and senate
26 fiscal agencies of that fact.

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1 Sec. 216. In compliance with governmental accounting standards
2 board (GASB) statement no. 24, accounting and financial reporting for
3 certain grants and other financial assistance, such as federal food stamp
4 distributions via coupons or electronic benefits systems, are hereby
5 appropriated and shall be recognized as general fund - special purpose
6 expenditures in the state's accounting records and financial reports.
7 The level of appropriations under this section shall coincide with antic-
8 ipated federal food stamps revenues for the fiscal year ending
9 September 30, 2001.

10 Sec. 217. The departments and state agencies receiving appropria-
11 tions under this act shall receive and retain copies of all reports
12 funded from appropriations in part 1. These departments and state agen-
13 cies shall follow federal and state guidelines for short-term and
14 long-term retention of these reports and records.

15 Sec. 218. (1) The department shall prepare a semiannual report on
16 the temporary assistance for needy families (TANF) federal block grant.
17 The report shall include projected expenditures for the current fiscal
18 year, an accounting of any previous year funds carried forward, and a
19 summary of all interdepartmental or interagency agreements relating to
20 the use of TANF funds. The report shall be forwarded to the house and
21 senate appropriations subcommittees on the family independence agency
22 budget on or before October 15, 2000 and April 15, 2001.

23 (2) The state budget director shall give prior written notice to the
24 members of the house and senate appropriations subcommittees for the
25 family independence agency and to the house and senate fiscal agencies of
26 any proposed changes in utilization or distribution of TANF funding or
27 the distribution of TANF maintenance of effort spending relative to the

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1 amounts reflected in the annual appropriations acts of all state agencies
2 where TANF funding is appropriated.

3 Sec. 219. The department shall include in its quality control
4 reporting the number of veterans receiving food stamps, family indepen-
5 dence program assistance, and Medicaid.

6 Sec. 220. (1) In contracting with faith-based organizations for
7 mentoring or supportive services, and in all contracts for services, the
8 department shall ensure that no funds provided directly to institutions
9 or organizations to provide services and administer programs shall be
10 used or expended for any sectarian activity, including sectarian worship,
11 instruction, or proselytization.

12 (2) If an individual requests the service and has an objection to
13 the religious character of the institution or organization from which the
14 individual receives or would receive services or assistance, the depart-
15 ment shall provide the individual within a reasonable time after the date
16 of the objection with assistance or services and which are substantially
17 the same as the service the individual would have received from the
18 organization.

19 (3) Notwithstanding subsections (1) and (2), the department shall
20 cooperate with faith-based organizations so that they are able to compete
21 on the same basis as any other private organization for contracts to pro-
22 vide services to recipients of department services, including, but not
23 limited to, mentoring or supportive services. The department shall not
24 discriminate against an organization that applies to become a contractor
25 on the basis that the organization has a religious character.

26 Sec. 221. If the revenue collected by the department from private
27 and local sources exceeds the amount appropriated in part 1, the revenue

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1 may be carried forward, with approval from the state budget director,
2 into the subsequent fiscal year.

3 Sec. 222. The department shall provide a report prepared by the
4 department's internal auditor on the activities of the internal auditor
5 for the prior fiscal year. This report shall include a listing of each
6 audit or investigation performed by the internal auditor pursuant to
7 sections 486(4) and 487 of the management and budget act, 1984 PA 431,
8 MCL 18.1486 and 18.1487. The report shall identify the proportion of
9 time spent on each of the statutory responsibilities listed in
10 sections 485(4), 486(4), and 487 of the management and budget act, 1984
11 PA 431, MCL 18.1485, 18.1486, and 18.1487, and the time spent on all
12 other activities performed in the internal audit function. The first
13 report shall be due March 1, 2001, and biennially thereafter beginning on
14 May 1 and shall be submitted to the governor, auditor general, the senate
15 and house appropriations committees, the senate and house fiscal agen-
16 cies, and the director.

17 Sec. 223. The department shall make a determination of Medicaid
18 eligibility not later than 60 days after all information to make the
19 determination is received from the applicant when disability is an eligi-
20 bility factor. For all other Medicaid applicants, the department shall
21 make a determination of Medicaid eligibility not later than 45 days after
22 all information to make the determination is received from the
23 applicant.

1 EXECUTIVE OPERATIONS

2 Sec. 301. The department may distribute cash assistance to recip-
3 ients electronically by using debit cards.

4 Sec. 302. The appropriation in section 102 for the Michigan commis-
5 sion for the blind includes funds for case services. These funds may be
6 used for tuition payments for blind clients for the school year beginning
7 September 2000.

8 Sec. 303. The appropriation in section 102 for commissions and
9 boards may be used for per diem payments to members of commissions or
10 boards for a full day of committee work at which a quorum is present for
11 performing official business as authorized by each respective commission
12 or board. The per diem payment for the Michigan commission for the blind
13 shall be at a rate of \$50.00 per day.

14 FAMILY INDEPENDENCE SERVICES ADMINISTRATION

15 Sec. 401. (1) From the federal money received for child support
16 incentive payments, up to \$4,365,200.00 shall be retained by the state
17 and expended for legal support contracts, state incentive payments, and
18 salaries and wages for office of child support staff.

19 (2) At the end of the current fiscal year, the department may, when
20 it is cost beneficial to the state and counties, withhold from submitting
21 to the federal office of child support administrative expenses eligible
22 for federal financial participation. The department may recoup earned
23 but unclaimed federal funds from the resulting increased federal child
24 support incentive. The recoupment by the department shall be made prior
25 to distribution of the increased incentive to the counties. Any

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1 incentive funds retained by the state under this section shall be
2 separate and apart from incentive funds retained in any other section of
3 this act.

4 (3) A county shall be required to pay a penalty due to the state's
5 failure to be in compliance with federal child support enforcement system
6 requirements unless the county, friend of the court, and the department
7 have a written agreement that outlines the county's commitment to partic-
8 ipate in the federally required child support enforcement system and the
9 county complies with a timeline for completion established by the
10 department. Appropriate counties, the family independence agency, and
11 the judiciary shall report on the progress of reaching federal standards
12 by November 15, 2000. These groups will present an action plan as to how
13 attainment will be reached by September 30, 2001.

14 Sec. 402. From the funds appropriated in section 103 for legal sup-
15 port contracts and child support incentive payments, the department may
16 fund demonstration projects to enhance friend of the court child support
17 collections efforts for public assistance recipients. Funding shall be
18 from federal title IV-D and federal child support incentives earned. The
19 projects shall be implemented in no more than 3 counties. Priority shall
20 be given to counties with federal title IV-D aid to families with depen-
21 dent children collections exceeding \$5,000,000.00 in fiscal year 1992.

22 Sec. 403. Not later than September 30 of each year, the department
23 shall submit for public hearing to the chairpersons of the house and
24 senate appropriations subcommittees dealing with appropriations for the
25 family independence agency the proposed use and distribution plan for
26 community services block grant funds appropriated in section 103 for the
27 succeeding fiscal year.

1 Sec. 404. The department shall develop a joint plan with the
2 [REDACTED] department of civil rights as the cen-
3 tral representative of all human service-oriented off-reservation Indian
4 organizations [REDACTED] to assure that the
5 community services block grant funds are equitably distributed. The plan
6 must be developed by October 1, 2000, and the plan shall be delivered to
7 the appropriations subcommittee on the family independence agency in the
8 house and senate.

9 Sec. 405. The state general fund/general purpose contribution
10 related to the Wayne County third circuit court cooperative reimbursement
11 contract resides in the judiciary budget. There are no general
12 fund/general purpose funds appropriated for this purpose in the family
13 independence agency budget.

14 Sec. 407. From the funds appropriated in section 103 for employment
15 and training support services, the department shall contract with created
16 for caring for \$112,500.00 to provide employment skills and opportunities
17 support services.

18 Sec. 408. (1) The family independence agency shall work jointly
19 with the department of career development to implement the enhanced tech-
20 nical vocational training program that shall meet all of the following
21 criteria:

22 (a) The training program shall be available statewide.

23 (b) Eligible participants shall include family independence program
24 recipients, work first clients, and child day care recipients referred by
25 the family independence agency.

26 (c) Training shall be limited to not longer than 12 months in
27 duration.

1 (d) Training shall be directed to achieving or gaining skills that
2 will lead to a career for the participant.

3 (e) Training shall be reasonably calculated to lead to full-time,
4 skilled employment.

5 (f) Participants shall receive any additional support needed to
6 facilitate participation in the training program within reasonable param-
7 eters established by the department of career development including, but
8 not limited to, all of the following:

9 (i) Child day care, including evening or nighttime care if
10 appropriate.

11 (ii) Transportation.

12 (iii) Transitional Medicaid.

13 (2) Eligible family independence program recipients, work first cli-
14 ents, and child day care recipients that commence training will be
15 allowed to complete training, as long as all enhanced technical voca-
16 tional training program participation requirements are being met.

17 Sec. 412. If title IV-D-related child support collections are
18 escheated, the state budget director is authorized to adjust the sources
19 of financing for the funds appropriated in section 103 for legal support
20 contracts to reduce federal authorization by 66% of the escheated amount
21 and increase general fund/general purpose authorization by the same
22 amount. This budget adjustment is required to offset the loss of federal
23 revenue due to the escheated amount being counted as title IV-D program
24 income in accordance with federal regulations at 45 C.F.R. 304.50.

25 Sec. 413. The department shall develop a written policy concerning
26 department employee conducted field investigations and home visits that
27 will include all of the following:

- 1 (a) When and how investigations or home visits will occur.
- 2 (b) The circumstances when a nonemployee may accompany a department
- 3 employee conducting an investigation or a home visit.
- 4 (c) Mandatory training on defusing threatening behavior for employ-
- 5 ees conducting investigations or home visits.

6 **CHILD AND FAMILY SERVICES**

7 Sec. 501. The following goal is established by state law. During

8 the fiscal year ending September 30, 2001, not more than 3,000 children

9 supervised by the department shall remain in foster care longer than 24

10 months. The department shall give priority to reducing the number of

11 children under 1 year of age in foster care.

12 Sec. 502. From the funds appropriated in section 104 for foster

13 care, the department shall provide 50% reimbursement to Indian tribal

14 governments for foster care expenditures for children who are under the

15 jurisdiction of Indian tribal courts and who are not otherwise eligible

16 for federal foster care cost sharing.

17 Sec. 503. The department shall continue adoption subsidy payments

18 to families after the eighteenth birthday of an adoptee who meets the

19 following criteria:

20 (a) Has not yet graduated from high school or passed a high school

21 equivalency examination.

22 (b) Is making progress toward completing high school.

23 (c) Has not yet reached his or her twenty-first birthday.

24 Sec. 504. The department's ability to satisfy appropriation deducts

25 in section 104 for foster care private collections shall not be limited

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1 to collections and accruals pertaining to services provided in the
2 current fiscal year but shall include revenues collected in excess of the
3 amount specified in section 104.

4 Sec. 505. Counties shall be subject to 50% charge back for the use
5 of alternative regional detention services, if those detention services
6 do not fall under the basic provision of section 117e of the social wel-
7 fare act, 1939 PA 280, MCL 400.117e, or if a county operates those deten-
8 tion services programs primarily with professional rather than volunteer
9 staff.

10 Sec. 506. (1) In order to promote continuity of service for chil-
11 dren and families, the department shall, to the maximum extent possible,
12 enter into multiyear contracts for child welfare and juvenile justice
13 services.

14 (2) The bid specifications and contract award determinations for
15 child welfare and juvenile justice services shall include criteria rela-
16 tive to provider experience, placing emphasis on total years of
17 experience in providing child welfare and juvenile justice services, pro-
18 vision of services to persons of similar characteristics as the target
19 clientele, quality of prior child welfare and juvenile justice services,
20 length of service in the targeted geographic area, and the adequacy of
21 the provider's plan for coordinating the provision of services in the
22 targeted geographic area.

23 Sec. 507. Funds appropriated in part 1 for the child care fund may
24 be used as local match for the purchase of families first services for
25 clients referred by juvenile courts. For local offices and courts choos-
26 ing this option, the in-home portion of the county child care fund plan
27 must authorize the transfer of funds from the state child care fund

1 account designated for that county to a local funds - county payback
2 deduct account associated with the family preservation services
3 appropriation.

4 Sec. 508. (1) In addition to the amount appropriated in
5 section 104, money granted or money received as gifts or donations to the
6 children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is
7 appropriated for expenditure in an amount not to exceed \$800,000.00.

8 (2) The state child abuse and neglect prevention board may initiate
9 a joint project with another state agency to the extent that the project
10 supports the programmatic goals of both the state child abuse and neglect
11 prevention board and the state agency. The department may invoice the
12 state agency for shared costs of a joint project in an amount authorized
13 by the state agency, and the state child abuse and neglect prevention
14 board may receive and expend funds for shared costs of a joint project in
15 addition to those authorized by section 104.

16 Sec. 509. (1) From the funds appropriated in part 1, the department
17 shall not expend funds to preserve or reunite a family, unless there is a
18 court order requiring the preservation or reuniting of the family or the
19 court denies the petition, if
20 either of the following would result:

21 (a) A child would be living in the same household with a parent or
22 other adult who has been convicted of criminal sexual conduct against a
23 child.

24 (b) A child would be living in the same household with a parent or
25 other adult against whom there is a substantiated charge of sexual abuse
26 against a child.

27 (2) Notwithstanding subsection (1), this section shall not prohibit
counseling or other services provided by the department, if the service

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1 is not directed toward influencing the child to remain in an abusive
2 environment, justifying the actions of the abuser, or reuniting the
3 family.

4 Sec. 510. The department shall not be required to put up for bids
5 contracts with service providers if currently only 1 provider in the
6 service area exists.

7 Sec. 511. In order to be reimbursed for child care fund expendi-
8 tures, counties are required to submit department developed reports to
9 enable the department to document potential federally claimable
10 expenditures. This requirement is in accordance with the reporting
11 requirements specified in section 117a(7) of the social welfare act, 1939
12 PA 280, MCL 400.117a.

13 Sec. 512. From the funds appropriated in section 104 for foster
14 care payments, the department may expend up to \$1,500,000.00 for foster
15 care pilot projects that include ways to increase foster parent recruit-
16 ment, improve foster parent retention, and increase delivery of training
17 and supportive services to foster parents.

18 Sec. 513. The department shall not expend funds appropriated in
19 part 1 to pay for the placement of a child in an out-of-state facility
20 unless all of the following conditions are met:

21 (a) There is no appropriate placement available in this state.

22 (b) The out-of-state facility meets all of the licensing standards
23 of this state for a comparable facility.

24 (c) The out-of-state facility meets all of the applicable licensing
25 standards of the state in which it is located.

26 (d) The department has done an on-site visit to the out-of-state
27 facility, reviewed the facility records, and reviewed licensing records

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1 and reports on the facility and believes that the facility is an
2 appropriate placement for the child.

3 Sec. 514. The department shall make a comprehensive report concern-
4 ing children's protective services (CPS) to the legislature by January 1,
5 2001, that shall include all of the following:

6 (a) Statistical information including, at a minimum, all of the
7 following:

8 (i) The total number of reports of abuse or neglect investigated
9 under the child protection law, 1975 PA 238, MCL 722.621 to 722.638, and
10 the number of cases that were substantiated and the number that were
11 unsubstantiated.

12 (ii) Characteristics of perpetrators of abuse or neglect and the
13 child victims, such as age, relationship, socioeconomic status, race, and
14 ethnicity.

15 (iii) The mandatory reporter category in which the individual who
16 made the report fits, or other categorization if the individual is not
17 within a group required to report under the child protection law, 1975
18 PA 238, MCL 722.621 to 722.638.

19 (b) New policies related to children's protective services includ-
20 ing, but not limited to, major policy changes and court decisions affect-
21 ing the children's protective services system during the immediately pre-
22 ceding 12-month period.

23 Sec. 515. From the funds appropriated in part 1 for foster care
24 payments and related administrative costs, the department may implement
25 the federally approved title IV-E child welfare waiver managed care
26 demonstration project.

1 Sec. 516. In the event that a court terminates parental rights to a
2 child pursuant to section 51 of chapter X of the Michigan adoption code,
3 1939 PA 288, MCL 710.1 to 710.70, and a child placing agency can demon-
4 strate a loss of funds based on actual fiscal years 1998-1999 and
5 1999-2000 foster care expenditures relating to the placement of that
6 child, from the funds appropriated in section 104 for foster care, the
7 department shall reimburse the child placing agency up to \$500,000.00 for
8 the demonstrated loss.

9 Sec. 517. (1) From the funds appropriated in section 104 for family
10 preservation and prevention services, the department is authorized to
11 allocate funds to multipurpose collaborative bodies to address issues
12 raised in the Binsfeld children's commission report issued in July 1996.
13 Priority for activities and services will be given to at-risk children
14 and families in unsubstantiated child protective services cases or
15 low-risk substantiated cases.

16 (2) From the funds appropriated in section 104 for family preserva-
17 tion and prevention services, up to \$2,000,000.00 may be used to fund
18 community based collaborative prevention services designed to do any of
19 the following:

20 (a) Foster positive parenting skills especially for parents of chil-
21 dren under 3 years of age.

22 (b) Improve parent/child interaction.

23 (c) Promote access to needed community services.

24 (d) Increase local capacity to serve families at risk.

25 (e) Improve school readiness.

26 (f) Support healthy family environments that discourage alcohol,
27 tobacco, and other drug use.

1 (3) The appropriation provided for in subsection (2) is to fund
2 secondary prevention programs as defined in the children's trust fund's
3 pre-application materials for fiscal year 2000-2001 direct services
4 grants.

5 (4) Projects funded through the appropriation provided for in sub-
6 section (2) shall meet all of the following criteria:

7 (a) Be awarded through a joint request for proposal process estab-
8 lished by the department in conjunction with the children's trust fund
9 and the state human services directors.

10 (b) Be secondary prevention initiatives. Funds are not intended to
11 be expended in cases in which neglect or abuse has been substantiated.

12 (c) Demonstrate that the planned services are part of a community's
13 integrated comprehensive family support strategy endorsed by the local
14 multipurpose collaborative body.

15 (d) Provide a 25% local match of which not more than 10% is in-kind
16 goods or services unless the maximum percentage is waived by the state
17 human services directors.

18 (5) As used in this section, "state human services directors" means
19 the director of the department of community health, the director of the
20 department of education, and the director of the family independence
21 agency.

22 Sec. 518. (1) It is the intent of the legislature that the funds
23 appropriated in section 104 for family preservation and prevention serv-
24 ices in the 2000-2001 fiscal year reflect strong families/safe children
25 allocations to local multipurpose collaborative bodies that are no less
26 than the allocations in effect on April 1, 1997.

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1 (2) In order to maintain this level of funding, the department may
2 use up to \$8,000,000.00 in TANF funds provided that the local
3 multipurpose collaborative bodies submit data to the department that will
4 enable the department to document potential federal claimable
5 expenditures.

6 (3) No later than March 1, 2001, each local multipurpose collaborat-
7 ive body shall submit a report to the department that includes the number
8 of people receiving strong families/safe children services, the local
9 goals for this program, and a measure of the effectiveness in meeting
10 these goals.

11 Sec. 519. From the funds appropriated in part 1 for foster care
12 payments, Wayne County foster care payments, and adoption subsidies, the
13 department shall increase the rate of payments for foster parents and
14 parents receiving adoption subsidies by 3.0% beginning with the first pay
15 period in October 2000.

16 Sec. 520. It is the intent of the legislature that the funds appro-
17 priated in section 109 for kinship care in the fiscal year ending
18 September 30, 2001 reflect the legislature's commitment to reduce the
19 benefit discrepancy between kinship care and a similar family size within
20 the family independence agency program (FIP). The legislature recognizes
21 the commitment of relatives to provide family continuity, nurturance, and
22 care for this special population of children who can no longer remain in
23 their parents' care due to abuse, neglect, or other social problems.

24 Sec. 521. The family independence agency expenditures for adoption
25 placement services shall be audited in order to determine the average
26 cost for each type or category of adoptive placement.

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1 Sec. 522. From the funds appropriated in part 1 for family
2 preservation and prevention services, \$255,000.00 in TANF funds are
3 allocated to the 17 clubs statewide of the Michigan Area Council of Boys
4 and Girls Clubs of America for after school programs.

5 PUBLIC ASSISTANCE

6 Sec. 601. (1) The department may terminate a vendor payment for
7 shelter upon written notice from the appropriate local unit of government
8 that a recipient's rental unit is not in compliance with applicable local
9 housing codes or when the landlord is delinquent on property tax
10 payments. A landlord shall be considered to be in compliance with local
11 housing codes when the department receives from the landlord a signed
12 statement stating that the rental unit is in compliance with local hous-
13 ing codes and that statement is not contradicted by the recipient and the
14 local housing authority. The department shall terminate vendor payments
15 if a taxing authority notifies the department that taxes are delinquent.

16 (2) Whenever a client agrees to the release of his or her name and
17 address to the local housing authority, the department shall request from
18 the local housing authority information regarding whether the housing
19 unit for which vendoring has been requested meets applicable local hous-
20 ing codes. Vendoring shall be terminated for those units that the local
21 authority indicates in writing do not meet local housing codes until such
22 time as the local authority indicates in writing that local housing codes
23 have been met.

24 (3) In order to participate in the rent vendoring programs of the
25 department, a landlord shall cooperate in weatherization and conservation

1 efforts directed by the department or by an energy provider participating
2 in an agreement with the department when the landlord's property has been
3 identified as needing services.

4 Sec. 602. The department, together with other agencies, may estab-
5 lish special projects to provide special needs shelter payment levels for
6 the family independence program that will support the development of
7 transitional shelter facilities for homeless families. These facilities
8 are to provide supportive services to families and to support the devel-
9 opment of permanent low-income housing.

10 Sec. 603. (1) The department, as it determines is appropriate,
11 shall enter into agreements with energy providers by which cash assist-
12 ance recipients and the energy providers agree to permit the department
13 to make direct payments to the energy providers on behalf of the
14 recipient. The payments may include heat and electric payment require-
15 ments from recipient grants and amounts in excess of the payment
16 requirements.

17 (2) The department shall establish caps for natural gas, wood, elec-
18 tric heat service, deliverable fuel heat services, and for electric serv-
19 ice based on available federal funds.

20 (3) The department shall negotiate with positive billing utility
21 companies to develop extended payment plans. Such plans shall allow cli-
22 ents who terminate from positive billing due to increased income to make
23 monthly payments in order to gradually liquidate utility arrears.

24 Sec. 604. (1) The department shall operate a state disability
25 assistance program. Except as provided in subsection (3), persons eligi-
26 ble for this program shall include needy citizens of the United States or
27 aliens exempted from the supplemental security income citizenship

1 requirement who are at least 18 years of age or emancipated minors
2 meeting 1 or more of the following requirements:

3 (a) A recipient of supplemental security income, social security, or
4 medical assistance due to disability or 65 years of age or older.

5 (b) A person with a physical or mental impairment which meets fed-
6 eral supplemental security income disability standards, except that the
7 minimum duration of the disability shall be 90 days. Substance abuse
8 alone is not defined as a basis for eligibility.

9 (c) A resident of an adult foster care facility, a home for the
10 aged, a county infirmary, or a substance abuse treatment center.

11 (d) A person receiving 30-day postresidential substance abuse
12 treatment.

13 (e) A person diagnosed as having acquired immunodeficiency
14 syndrome.

15 (f) A person receiving special education services through the local
16 intermediate school district.

17 (g) A caretaker of a disabled person as defined in subdivision (a),
18 (b), (e), or (f) above.

19 (2) Applicants for and recipients of the state disability assistance
20 program shall be considered needy if they:

21 (a) Meet the same asset test as is applied to applicants for the
22 family independence program.

23 (b) Have a monthly budgetable income that is less than the payment
24 standards.

25 (3) Except for a person described in subsection (1)(c) or (d), a
26 person is not disabled for purposes of this section if his or her drug
27 addiction or alcoholism is a contributing factor material to the

1 determination of disability. "Material to the determination of
2 disability" means that, if the person stopped using drugs or alcohol, his
3 or her remaining physical or mental limitations would not be disabling.
4 If his or her remaining physical or mental limitations would be dis-
5 abling, then the drug addiction or alcoholism is not material to the
6 determination of disability and the person may receive state disability
7 assistance. Such a person must actively participate in a substance abuse
8 treatment program, and the assistance must be paid to a third party or
9 through vendor payments. For purposes of this section, substance abuse
10 treatment includes receipt of inpatient or outpatient services or partic-
11 ipation in alcoholics anonymous or a similar program.

12 (4) A refugee or asylee who loses his or her eligibility for the
13 federal supplemental security income program by virtue of exceeding the
14 maximum time limit for eligibility as delineated in section 402 of
15 title IV of the personal responsibility and work opportunity reconcilia-
16 tion act of 1996, Public Law 104-193, 8 U.S.C. 1612, and who otherwise
17 meets the eligibility criteria under this section shall be eligible to
18 receive benefits under the state disability assistance program.

19 Sec. 605. The level of reimbursement provided to state disability
20 assistance recipients in licensed adult foster care facilities shall be
21 the same as the prevailing supplemental security income rate under the
22 personal care category.

23 Sec. 606. County family independence agencies shall require each
24 recipient of state disability assistance who has applied with the social
25 security administration for supplemental security income to sign a con-
26 tract to repay any assistance rendered through the state disability

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1 assistance program upon receipt of retroactive supplemental security
2 income benefits.

3 Sec. 607. The department's ability to satisfy appropriation deduc-
4 tions in section 109 for state disability assistance/supplemental secur-
5 ity income recoveries and public assistance recoupment revenues shall not
6 be limited to recoveries and accruals pertaining to state disability
7 assistance, or family independence assistance grant payments provided
8 only in the current fiscal year, but shall include all related net recov-
9 eries received during the current fiscal year.

10 Sec. 608. Adult foster care facilities providing domiciliary care
11 or personal care to residents receiving supplemental security income or
12 homes for the aged serving residents receiving supplemental security
13 income shall not require those residents to reimburse the home or facil-
14 ity for care at rates in excess of those legislatively authorized. To
15 the extent permitted by federal law, adult foster care facilities and
16 homes for the aged serving residents receiving supplemental security
17 income shall not be prohibited from accepting third-party payments in
18 addition to supplemental security income provided that the payments are
19 not for food, clothing, shelter, or result in a reduction in the
20 recipient's supplemental security income payment.

21 Sec. 609. The state supplementation level under the supplemental
22 security income program for the personal care/adult foster care and home
23 for the aged categories shall not be reduced during the fiscal year
24 beginning October 1, 2000 and ending September 30, 2001.

25 Sec. 610. In developing good cause criteria for the state emergency
26 relief program, the department shall grant exemptions if the emergency

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1 resulted from unexpected expenses related to maintaining or securing
2 employment.

3 Sec. 611. (1) The department shall not require providers of burial
4 services to accept state payment for indigent burials as payments in
5 full. Providers shall be permitted to collect additional payment, not to
6 exceed \$2,300.00, from relatives or other persons on behalf of the
7 deceased.

8 (2) Of the additional payments collected in subsection (1), 75%
9 shall be distributed to funeral directors and 25% to cemeteries or crema-
10 toriums if cemeteries provide the vaults.

11 (3) Any additional payment collected pursuant to subsection (1)
12 shall not increase the maximum charge limit for state payment as estab-
13 lished by law.

14 Sec. 612. For purposes of determining housing affordability eligi-
15 bility for state emergency relief, a group is considered to have suffi-
16 cient income to meet ongoing housing expenses if their total housing
17 obligation does not exceed 75% of their total net income.

18 Sec. 613. From the funds appropriated in section 109 for state
19 emergency relief, the maximum allowable charge limit for indigent burials
20 shall be \$1,520.00. It is the intent of the legislature that this charge
21 limit reflect a maximum payment to funeral directors of \$960.00 for
22 funeral goods and services and a maximum payment to cemeteries or crema-
23 toriums of \$360.00 for cemetery goods and services. In addition, a maxi-
24 mum payment of \$200.00 shall be distributed to either the funeral direc-
25 tor or cemetery, whoever provides the burial vault.

26 Sec. 614. The funds available pursuant to this section shall be
27 available if the deceased was an eligible recipient and an application

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1 for emergency relief funds was made within 10 days of the burial or
2 cremation of the deceased person. Each provider of burial services shall
3 be paid directly by the department.

4 Sec. 615. Except as required by federal law or regulations, funds
5 appropriated in section 109 shall not be used to provide public assist-
6 ance to a person who is an illegal alien. This section shall not pro-
7 hibit the department from entering into contracts with food banks or
8 emergency shelter providers who may, as a normal part of doing business,
9 provide food or emergency shelter to individuals.

10 Sec. 616. (1) The appropriation in section 109 for the weatheriza-
11 tion program shall be expended in such a manner that at least 25% of the
12 households weatherized under the program shall be households of families
13 receiving family independence assistance, state disability assistance, or
14 supplemental security income.

15 (2) Any unencumbered balances of the weatherization program shall
16 not lapse and may be carried forward to fiscal year 2002.

17 Sec. 617. In operating the family independence program with funds
18 appropriated in section 109, the department shall not approve as a minor
19 parent's adult supervised household a living arrangement in which the
20 minor parent lives with his or her partner as the supervising adult.

21 Sec. 618. (1) Except as otherwise provided in subsection (2), the
22 department shall provide not less than 10 days' notice before reducing,
23 terminating, or suspending assistance provided under the social welfare
24 act, 1939 PA 280, MCL 400.1 to 400.119b.

25 (2) The department may only reduce, terminate, or suspend assistance
26 provided under the social welfare act, 1939 PA 280, MCL 400.1 to
27 400.119b, without prior notice in 1 or more of the following situations:

1 (a) The only eligible recipient has died.

2 (b) A recipient member of a program group or family independence
3 assistance group has died.

4 (c) A recipient child is removed from his or her family home by
5 court action.

6 (d) A recipient requests in writing that his or her assistance be
7 reduced, terminated, or suspended.

8 (e) A recipient has intentionally violated 1 or more of the require-
9 ments of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

10 (f) A recipient has been approved to receive assistance in another
11 state.

12 (g) A change in either state or federal law that requires automatic
13 grant adjustments for classes of recipients.

14 (3) If a recipient appeals the department's determination to reduce,
15 terminate, or suspend his or her assistance within 10 days from the mail-
16 ing of the notice of negative action, the department shall not reduce,
17 terminate, or suspend that assistance until there is a final determina-
18 tion of that appeal upholding the department's determination to reduce,
19 terminate, or suspend that assistance.

20 Sec. 619. The department shall exempt from the denial of title IV-A
21 assistance and food stamp benefits, contained in section 115 of title I
22 of the personal responsibility and work opportunity reconciliation act of
23 1996, Public Law 104-193, 21 U.S.C. 862a, any individual who has been
24 convicted of a felony that included the possession, use, or distribution
25 of a controlled substance, after August 22, 1996, provided that the indi-
26 vidual is not in violation of his or her probation or parole

1 requirements. Benefits shall be provided to such individuals as
2 follows:

3 (a) A third-party payee or vendor shall be required for any cash
4 benefits provided.

5 (b) An authorized representative shall be required for food stamp
6 receipt.

7 Sec. 620. (1) The department shall ensure that all family indepen-
8 dence agency clients are informed in writing of additional programs for
9 which they may potentially be eligible. Notification of programs should
10 at a minimum include information on transitional Medicaid, LIF Medicaid,
11 Healthy Kids, and MICHild, transitional child day care services, extended
12 payment plans with positive billing utility companies as negotiated under
13 section 603(3) of this bill including emergency assistance with utility
14 arrearages, tax credits available to low income households, opportunities
15 for skills development, training and education, training programs admin-
16 istered by the department of career development, individual development
17 account opportunities, and instructions on the application process for
18 each program benefit.

19 (2) At the client's discretion, the department shall grant an exit
20 interview to discuss issues pertaining to self-sufficiency including all
21 of the information outlined in subsection (1). Clients shall be notified
22 of their right to an exit interview.

23 Sec. 621. Funds appropriated in part 1 may be used to support mul-
24 ticultural assimilation and support services. The department shall dis-
25 tribute all of the funds described in this section based on assessed com-
26 munity needs.

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1 Sec. 622. (1) Using all relevant state data sources, the department
2 in collaboration with Michigan department of career development shall
3 acquire data on former work first participants whose family independence
4 program cases closed due to earnings during fiscal year ending
5 September 30, 1999, for the second year in the continuing longitudinal
6 study started in fiscal year ending September 30, 2000. In addition,
7 first year data will also be compiled on former work first participants
8 whose family independence program cases were closed due to earnings
9 during fiscal year ending September 30, 2000. The data will include:

10 (a) Number and percentage employed.

11 (b) Average hourly wage of those employed.

12 (c) Current hourly wage of those employed.

13 (d) Range of wages earned by those employed.

14 (e) Number of individuals that earned each wage amount.

15 (f) Number and percentage receiving health care benefits from their
16 employer.

17 (g) Number and percentage receiving tuition reimbursement from their
18 employer.

19 (h) Number and percentage receiving training benefits from their
20 employer.

21 (i) The type of jobs obtained by former recipients in general
22 categories.

23 (j) The length of time former recipients have retained their jobs,
24 or if they have had more than 1 job, the length of time employed at each
25 job.

26 (k) Number and percentage continuing to receive any type of public
27 assistance.

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1 (l) If the former recipient has children, whether the children are
2 enrolled in and attending school.

3 (m) The extent to which the former recipient feels that he or she
4 and his or her family are better off now than when they were on cash
5 assistance with regard to household income, housing, food and nutritional
6 needs, child health care, and access to health insurance coverage.

7 (n) If the client has participated in training and the type of
8 training participated in.

9 (2) The department in collaboration with the department of career
10 development shall file a report containing the identified data with the
11 appropriate house and senate appropriations subcommittees and fiscal
12 agencies by March 15, 2001.

13 (3) The department shall cooperate with the department of career
14 development in formulating and acquiring the identified data.

15 (4) The department together with the department of career develop-
16 ment may retain a third party to conduct the studies to obtain the data
17 identified under this section.

18 (5) The department shall work with the department of career develop-
19 ment to increase communication between the 2 departments while implement-
20 ing the provisions of this section.

21 Sec. 623. From the funds appropriated in section 109, \$100,000.00
22 may be used to leverage additional funds and to promote private or non-
23 profit sector matching funds in individual development accounts for
24 family independence program recipients pursuant to the personal responsi-
25 bility and work opportunity reconciliation act of 1996, Public Law
26 104-193, 110 Stat. 2105. These funds may be used to support individual
27 development accounts for both home purchase and education.

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1 Sec. 624. The department shall maintain a plan to provide for the
2 implementation of individual development accounts pursuant to section 57k
3 of the social welfare act, 1939 PA 280, MCL 400.57k, by individuals who
4 apply for or receive public assistance from the department.

5 Sec. 625. From the funds appropriated in section 109, the depart-
6 ment in collaboration with the Michigan state university center for urban
7 affairs and its partner organizations, the Michigan credit union league
8 and the national federation of community development credit unions, shall
9 further the work begun in fiscal year 1999-2000 that implemented the
10 individual development accounts programs in the growing number of
11 low-income designated credit unions, i.e., community development credit
12 unions (CDCUs) located in this state's poorest communities. This further
13 work will extend capacity-building and technical assistance services to
14 existing and emerging CDCUs serving low-income populations and will
15 include:

16 (a) Creation of a Michigan-based support system for the
17 capacity-building of existing and emerging CDCUs serving low-income indi-
18 viduals and families, including development and testing of training,
19 technical assistance, and professional development initiatives and
20 related materials, and other capacity-building services to Michigan
21 CDCUs.

22 (b) Other related support to assist existing and emerging CDCUs in
23 becoming self-supporting institutions to assist impoverished Michigan
24 residents in becoming economically independent.

25 (c) Training and technical assistance to CDCUs in the development of
26 support services, such as economic literacy, credit counseling, budget

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1 counseling, and asset management programs for low-income individuals and
2 families.

3 Sec. 627. (1) From the funds appropriated in section 109 for day
4 care services, the department shall contract with the Michigan community
5 coordinated child care association to administer an amount not to exceed
6 \$1,350,000.00 for the "enhance quality improvement program" (EQUIP)
7 grants. A priority for the expenditure of EQUIP funds shall be given to
8 providers to expand access to child care, specifically 24-hour care and
9 weekend care. A child care program shall not be eligible for an EQUIP
10 grant unless 25% or more of its clients receive day care payments from
11 the department.

12 (2) From the funds appropriated in part 1 for day care services, the
13 department shall establish an additional fund of at least \$350,000.00 for
14 a grant pool for an "enhance quality improvement program" (EQUIP) specif-
15 ically to establish new family and group home day care providers.

16 Sec. 628. (1) From the funds appropriated in part 1, \$100,000.00
17 shall be used to support the continuation of the "ready to succeed dia-
18 logue with Michigan" to continue the exploration and development of a
19 system of early childhood education, care, and support in this state that
20 meets the needs of every child. This appropriation shall be used to
21 leverage other private and public funding to bring together leaders from
22 state and local governments, corporate and small business, the faith com-
23 munity, law enforcement, educators, parents, experts in early childhood
24 development, current providers, and others to continue the development of
25 a voluntary system of universal access to early childhood education,
26 care, and support that respects the diversity of Michigan families.

1 (2) The "ready to succeed dialogue with Michigan" shall provide a
2 report to the legislature on its activities and recommendations not later
3 than September 30, 2001. The report shall address at least the following
4 items:

5 (a) Helping parents obtain safe, high quality early childhood educa-
6 tion and care.

7 (b) Improving the quality of care in Michigan and the qualifications
8 of providers.

9 (c) Educating parents and community about the importance of quality
10 education and care in the first years of a child's life.

11 (d) Improving the environment in Michigan for young children includ-
12 ing access to quality care for all young children, especially those with
13 special needs and those whose parents work nontraditional hours.

14 (e) Efforts to organize local community leadership to address the
15 needs of families with young children and coordinate local services to
16 better achieve this goal.

17 (3) Organizational leadership for planning and conducting the ready
18 to succeed dialogue with Michigan shall be provided by the ready to suc-
19 ceed coordinating committee. Committee membership includes representa-
20 tives from C.S. Mott, Frey foundation, McGregor fund, the Skillman foun-
21 dation, W.K. Kellogg foundation, family independence agency, department
22 of education, union organization, ECEC organizations, 6 legislators from
23 the legislative children's caucus, and leaders from priority action
24 teams. The coordinating committee shall name a fiduciary agent and may
25 authorize the expenditure of funds and hiring people to accomplish its
26 work. The committee shall provide the department with a full accounting

1 of its revenues and expenditures for the period covered by this
2 appropriation.

3 Sec. 629. (1) From the funds appropriated in part 1, up to
4 \$275,000.00 shall be utilized by the family independence agency to con-
5 tract with Goodwill Industries, Michigan Businesses, Partners in Public
6 Education, Family Guidance Center, Faith, Inc., and businesses including
7 medical providers, manufacturing industries, and human services and hos-
8 pitality providers to initiate a career tracked approach to employment of
9 individuals receiving TANF. Career training will include, but not be
10 limited to, certified nurse aide training, child care provision, and man-
11 ufacturing and retail and service industries. The following criteria
12 will be met:

13 (a) The program shall be implemented as a pilot program.

14 (b) The program shall be developed through community partnerships
15 with businesses that shall agree to provide jobs related to the training
16 at the end of the training period.

17 (c) Eligible participants shall include homeless individuals, family
18 independence program recipients, and work first clients referred by the
19 family independence agency.

20 (d) Training shall be limited to not longer than 6 months in
21 duration.

22 (e) Training shall be directed to achieving or gaining skills that
23 will lead to significant skilled employment for the participants such as
24 a certification as a nurse's aide.

25 (f) Training shall be reasonably calculated to lead to full-time
26 skilled employment.

1 (g) Participants shall receive any additional support needed to
2 facilitate participation in the training program within reasonable
3 parameters established by the department of career development including,
4 but not limited to, both of the following:

5 (i) Child day care, including evening or nighttime care if
6 appropriate.

7 (ii) Transportation.

8 (h) Eligible family independence program recipients and work first
9 clients who commence training will be allowed to complete training, as
10 long as all program participation requirements are being met.

11 (2) It is the intent of this section that all program participants
12 satisfy the state work requirements.

13 Sec. 631. The department shall maintain policies and procedures to
14 achieve all of the following:

15 (a) The identification of individuals on entry into the system who
16 have a history of domestic violence, while maintaining the confidential-
17 ity of that information.

18 (b) Referral of persons so identified to counseling and supportive
19 services.

20 (c) In accordance with a determination of good cause, the waiving of
21 certain requirements of family independence programs where compliance
22 with those requirements would make it more difficult for the individual
23 to escape domestic violence or would unfairly penalize individuals who
24 have been victims of domestic violence or who are at risk of further
25 domestic violence.

26 Sec. 632. The department shall calculate the food stamp allotment
27 for applicants who are United States citizens and who live in a household

1 with legal immigrants in a manner that maximizes the food stamps
2 available to these United States citizens under federal law.

3 Sec. 634. (1) From the funds appropriated in part 1 for the family
4 independence program, the family independence agency shall expend up to
5 \$250,000.00 to develop and fund a parenting skills and career development
6 pilot program that meets all of the following criteria:

7 (a) Identification of single parents eligible for cash assistance
8 having children up to 3 years old.

9 (b) Referral of persons identified under subdivision (a) to a local
10 collaborative program responsible for the development and supervision of
11 a comprehensive parenting skills and career development plan for each
12 referred client.

13 (c) Each referred client shall participate in 20 hours a week of
14 parenting skills training that is a formal professional program with
15 either a trainer or facilitator and career development activities as
16 detailed in his or her comprehensive plan and monitored by the local col-
17 laborative program.

18 (d) Participation in the above activities for the hours specified
19 would satisfy cash assistance work requirements.

20 (e) The program must not place the state of Michigan in violation of
21 work requirements as defined in the federal personal responsibility and
22 work opportunity reconciliation act of 1996, Public Law 104-193.

23 (2) The local collaborative program shall provide the department
24 with a report not later than September 30, 2001 that includes all of the
25 following:

26 (a) The number of participants served.

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1 (b) The family size of participants served.

2 (c) Participants' rate of compliance with their comprehensive
3 plans.

4 (d) The number of participants attending postsecondary education or
5 vocational training programs.

6 (e) Parenting skills training outcomes.

7 (f) The number of participants working at the time the report is
8 completed.

9 (g) The average cost per participant of the program.

10 (h) Any other information that the department considers relevant.

11 Sec. 635. Within 10 business days of receiving all information nec-
12 essary to process an application for payments for child day care, the
13 family independence agency shall determine whether the child day care
14 provider to whom the payments, if approved, would be made, is listed on
15 the child abuse and neglect central registry. If the provider is listed
16 on the central registry, the family independence agency shall immediately
17 send written notice denying the applicant's request for child day care
18 payments.

19 Sec. 636. The department shall submit a report to the house and
20 senate appropriations committees and the house and senate standing com-
21 mittees having jurisdiction over human services matters by March 1, 2001
22 on the subject of late payments to child day care providers for the year
23 of 2000. The report shall include the reasons for any late payments made
24 to providers.

25 Sec. 640. From the funds appropriated in part 1 for day care serv-
26 ices, the family independence agency shall expend up to \$16,740,000.00 to
27 provide a rate increase based on the levels recommended in the market

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1 rate survey conducted in the fiscal year ending September 30, 1999 to
2 child day care providers serving children from 0 to 2-1/2 years of age.
3 It is the intent of the legislature that TANF funds are to be expended
4 for the provision of the rate increase. These TANF funds may not be
5 available after the fiscal year ending September 30, 2001. This funding
6 is a 1-time only appropriation.

7 Sec. 645. An individual or family is considered homeless, for pur-
8 poses of eligibility for state emergency relief, if living temporarily
9 with others in order to escape domestic violence. For purposes of this
10 section, domestic violence is defined and verified in the same manner as
11 in the family independence agency's policies on good cause for not coop-
12 erating with child support and paternity requirements.

13 Sec. 648. From the funds appropriated in section 109 for assistance
14 payments, the department shall continue to make assistance payments to
15 recipients beyond the federal 5-year limit set under the personal respon-
16 sibility and work opportunity reconciliation act of 1996, Public Law
17 104-193, 110 Stat. 2105, providing the recipient is complying with asset,
18 income, and participation standards set as a condition of eligibility to
19 receive assistance.

20 Sec. 649. From the funds appropriated in part 1, up to \$112,500.00
21 may be utilized by the family independence agency to contract with
22 Saginaw service career paths, a program under development in Saginaw to
23 assist low-income persons in developing their economic potential by com-
24 bining mentoring and training with actual work experience.

25 Sec. 653. From the funds appropriated in section 109 for food
26 stamps, an individual who is the victim of domestic violence and does not
27 qualify for any other exemption may be exempt from the 3-month in

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1 36-month limit on receiving food stamps under section 6(o)(6) of the food
2 stamp act of 1977, Public Law 88-525, 7 U.S.C. 2015. This exemption can
3 be extended an additional 3 months upon demonstration of continuing
4 need.

5 Sec. 656. Funds appropriated under this act shall not be used to
6 pay for the purchase, installation, repair, or maintenance of any
7 air-conditioning unit or equipment unless either of the following condi-
8 tions is met:

9 (a) The recipient requesting the payment provides to the department
10 a certificate from a physician stating that the air-conditioning is medi-
11 cally required.

12 (b) The recipient is 55 years of age or older.

13 Sec. 657. (1) It is the intent of the legislature to offer quality
14 after-school programs that provide youths with a safe, engaging environ-
15 ment to motivate and inspire learning outside the traditional classroom
16 setting. Effective after-school programs combine academic, enrichment,
17 and recreation activities to guide learning and inspire children and
18 youths in various activities. The after-school programs can meet the
19 needs of the communities served by the programs.

20 (2) The department shall put into practice a pilot program estab-
21 lishing quality after-school programs for school-aged children in kinder-
22 garten to ninth grades. To be eligible for this program, a child must be
23 a member of a family with an income that does not exceed 200% of the fed-
24 eral poverty guidelines published by the United States department of
25 health and human services.

26 (3) The locations for the pilot programs are Bay County, Genesee
27 County, Saginaw County, St. Clair County, and Wayne County. From the

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1 funds appropriated in part 1, each pilot location shall receive the
2 following amount of federal TANF funds:

- 3 (a) Bay County - \$2,500,000.00.
- 4 (b) Genesee County - \$2,500,000.00.
- 5 (c) Saginaw County - \$2,500,000.00.
- 6 (d) St. Clair County - \$2,500,000.00.
- 7 (e) Wayne County - \$6,000,000.00.

8 (4) The after-school pilot programs shall include, at a minimum, all
9 of the following topics:

- 10 (a) Pregnancy prevention.
- 11 (b) Chemical abuse and dependency including nonmedical services.
- 12 (c) Gang violence prevention.
- 13 (d) Academic assistance, including assistance with reading and
14 writing.
- 15 (e) Preparation toward future self-sufficiency.
- 16 (f) Leadership development.
- 17 (g) Case management.
- 18 (h) Parental involvement.
- 19 (i) Mentoring.
- 20 (j) Anger management.

21 (5) The department may enter into contracts with independent con-
22 tractors including, but not limited to, faith-based organizations, boys
23 or girls clubs, schools, or nonprofit organizations.

24 (6) A referral to a pilot program may be made by, but is not limited
25 to, any of the following: a teacher; counselor; parent; police officer;
26 judge; or social worker.

1 (7) By August 30, 2001, the department after-school pilot program
expenditures shall be audited and the department shall provide a report on
2 the after-school pilot program to the senate and house standing committees
3 dealing with human services, the senate and house appropriations subcom-
4 mittees dealing with appropriations for the family independence agency,
5 and the senate and house fiscal agencies. The report shall include
6 changes noted in program participants in any of the following
7 categories:

8 (a) Juvenile crime.

9 (b) Aggressive behavior.

10 (c) Academic achievement.

11 (d) Development of new skills and interests.

12 (e) School attendance and dropout rates.

13 (f) Behavioral changes in school.

Sec. 658. From the funds appropriated in part 1, the department may
add up to 45 new FTEs to work in the area of child protective services or
may utilize funding in the area of child protective services for other
safety initiatives.

Sec. 659. For the purpose of the family independence program
eligibility, a recipient with a child under 6 years of age must meet work
first participation requirements unless child care is not available and that
fact is verified by the family independence program caseworker.

14 JUVENILE JUSTICE SERVICES

15 Sec. 702. Expansion of facilities funded under section 105 for
16 juvenile justice services shall not be authorized by the joint capital
17 outlay subcommittee of the appropriations committees until the department
18 has held a public hearing in the community where the facility proposed to
19 be expanded is located.

20 Sec. 703. A juvenile adjudicated and placed in a state operated
21 maximum security program funded under section 105 for juvenile justice
22 services shall not be allowed to leave the property of the maximum secur-
23 ity facility at which the program is located except when required to
24 leave the property for medical treatment, court appearances, or other
25 good cause approved by the facility director. For purposes of this

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1 section, "juvenile" means that term as defined in section 115n of the
2 social welfare act, 1939 PA 280, MCL 400.115n.

3 Sec. 704. New facilities funded under section 105 for juvenile jus-
4 tice services shall not be located within 1,500 feet of property in use
5 for a K-12 educational program.

Sec. 705. (1) The department shall report on the W.J. Maxey facility to the house and senate appropriations subcommittees on the family independence agency budget as part of their annual budget presentation. The report shall include the following:

(a) Population reintegration goals for juvenile justice wards including, but not limited to, the categorization of positive outcomes and recidivism by age and incarceration type.

(b) Facility media policy to ensure reinforcement and consistency with treatment plans and desired ward outcomes.

(c) Staff and resident safety.

(d) Outcome based service and treatment program plan for wards who are sex offenders or substance abusers.

(e) Facility procedure following traumatic campus occurrences such as, but not limited to, violent and sexual assaults.

(f) Progress of facility construction including, but not limited to:

(i) Scope and cost of the construction contract.

(ii) Construction schedule.

(iii) Radio and security system warranties.

(g) Quality control process for resident service and release plans.

(2) The department shall ensure that all juveniles coming into care receive an assessment which includes a review of dysfunctional behavior in adolescents. In addition, the department shall ensure that all treatment addresses:

(a) Dysfunctional family practices, such as substance abuse and domestic violence.

(b) Sexual harassment and gender bias.

(c) Cultural and ethnic sensitivity.

6 DISABILITY DETERMINATION SERVICES

7 Sec. 801. The family independence agency disability determination
8 services in agreement with the department of management and budget office
9 of retirement systems will develop the medical information and determine
10 eligibility of medical disability retirement for state employees, state
11 police, judges, and school teachers.